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The Director of Central Intelligence
Washington, D.C. 20505

NIC 05122-84 6 September 1984

National Intelligence Council

MEMORANDUM FOR: Director of Central Intelligence

Deputy Director of Central Intelligence

FROM:

Graham E. Fuller

National Intelligence Officer for NESA

SUBJECT:

Libyan-Moroccan Union

1. By now you have heard explanation of why Morocco entered into the unity agreement with Libya.

- 2. There is little doubt that economically it will be a considerable plus for Morocco and is clearly so perceived by the Moroccan public which might otherwise have moved towards more bread-and-butter disorders this fall.
- 3. Politically the gains are questionable since Hassan will receive a good bit of bad press in Africa and the Arab World, not to mention the US. It probably will not help him a lot with the Polisario issue since it is Algeria, and not Libya, which has long been the mainstay of Polisario support; Algeria will now be doubly set against both the union and Hassan's efforts to use Libya against Algeria. Hassan will probably now do less well in the OAU on the Polisario issue.
- 4. In terms of Moroccan security, it is unlikely that the union will pose a major new threat to Hassan. Even Qadhafi will have to be somewhat circumspect about working against the Hassan regime in Morocco and will be closely watched. Libyan money in any case could have gotten to Moroccan fundamentalists without the unity agreement and is no more likely to do so now.
- 5. It is dubious whether Hassan will have any restraining influence on Qadhafi in any other sense: Qadhafi will continue with his own agenda elsewhere, feeling bolstered by the political boost of the union.

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- As aggravating as this union is to the US, however, it is in the grand tradition of Arab politics, involving kaleidoscopic alliances, enemies embracing at airports, and keeping ones guard up by proximity and not distance. Hassan probably underestimated the impact of this move outside the Arab world however.
- 6. Qadhafi's own actions still bear close watch. His quixotic behavior recently in publicly warning the Saudis of Libyan troublemakers at the Hajj while moving ahead with plans to disrupt it suggest he will still be aiming at other destabilizing moves in the region. His warnings to the Arab world to unite Arab forces against Israel "or else Libya will strike at them" needs to be taken seriously. Saudi Arabia, Egypt and the Sudan remain likely targets for incidents.
- 7. The unity agreement is unlikely to persist for very long in any really meaningful form.
 - The next few months--as details of the union are elaborated--will give a clearer picture of how substantive it is.
 - The more meaningful it is, the shorter-lived it will be.
- 8. It is unlikely that Hassan will risk his ties with the US and Arab moderates by assisting Qadhafi with US military equipment or passage of important intelligence. There is little to gain there and much to lose. But Qadhafi will probably try to push the relationship against US interests--probably thereby hastening its demise.
- 9. US interests are certainly not served by further tension between Algeria and Morocco--especially when Qadhafi is the beneficiary. The only silver lining will be increased Algerian interest in seeing Qadhafi weakened.

& Fuller

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